UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;

Suedeen G. Kelly, Marc Spitzer,

and Jon Wellinghoff.

Midwest Independent Transmission Docket Nos. ER05-6-080

System Operator, Inc.

Midwest Independent Transmission EL04-135-083

System Operator, Inc.

PJM Interconnection, LLC, et al.

Midwest Independent Transmission EL02-111-100

System Operator, Inc.

PJM Interconnection, LLC, et al.

Ameren Services Company, et al.

EL03-212-096

ORDER APPROVING UNCONTESTED PARTIAL SETTLEMENT

(Issued October 27, 2006)

1. On August 4, 2006, Exelon Corporation, on behalf of Commonwealth Edison Company and Commonwealth Edison Company of Indiana, Inc. (ComEd) and American Municipal Power-Ohio (AMP-Ohio), on behalf of its affected member organizations, ¹ (collectively, Settling Parties) filed an Uncontested Partial Settlement (Settlement) resolving all Seams Elimination Cost Adjustment (SECA) issues between these parties set for hearing in the above-captioned dockets. Specifically, as set forth in Appendix A of the proposed settlement, AMP-Ohio accepts responsibility for a total SECA obligation to ComEd of \$511,687 (Settlement Amount). AMP-Ohio represents that it has already paid

¹ For the purposes of this settlement agreement AMP-Ohio includes the following sub-zones: in the American Electric Power LCA: AMP-Ohio, Dover, OMEG, Orrville, Shelby; in the FirstEnergy (ATSI) LCA: AMP-Ohio, CPP, Painesville; in the Cinergy LCA: Hamilton; in the Dayton Power and Light LCA: AMP-Ohio, Piqua; and in the International Transmission Company LCA: Wyandotte.

to ComEd more than the total Settlement Amount with respect to SECA charges; therefore the Settling Parties further agree that ComEd shall refund to AMP-Ohio \$100,000, which represents the difference between the amount already paid by AMP-Ohio in SECA charges and the Settlement Amount. According to the Settlement provisions, ComEd shall remit the refund amount of \$100,000 to AMP-Ohio within thirty (30) days of the Commission's approval of the Settlement.

- 2. On August 7, 2006, Commission Trial Staff filed initial comments in support of the Settlement. On August 11, 2006, FirstEnergy Service Company (FirstEnergy) filed comments stating that it would not oppose the Settlement so long as ComEd agreed to waive any right to collect revenue from other load serving entities or load within the Midwest ISO and PJM regions that ComEd could have collected from AMP-Ohio absent the Settlement. On August 30, 2006, the Settling Parties filed reply comments stating their opposition to the modification proposed by FirstEnergy. The Settling Parties claimed that language in the Settlement adequately protects non-settling parties from impacts resulting from the Settlement. In addition, ComEd clarified that it would not collect from other load within the combined region any of the SECA revenues that the Commission ultimately determines to be allocable to AMP-Ohio, regardless of any future changes in the Commission's allocation methods. Therefore, the Presiding Administrative Law Judge found that the Settling Parties' reply comments rendered the Settlement uncontested and certified the Settlement to the Commission as such on September 19, 2006.²
- 3. The subject Settlement is fair and reasonable and in the public interest; it is hereby approved. The Commission's approval of this Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. The Commission retains the right to investigate the rates, terms and conditions under the just and reasonable and not unduly discriminatory or preferential standard of section 206 of the Federal Power Act, 16 U.S.C. § 824e (2000).
- 4. ComEd is directed to file a compliance report regarding any refunds pursuant to this Settlement within fifteen (15) days after making such refunds. ComEd shall furnish copies of the report to the affected wholesale customers and to each state Commission within whose jurisdiction the wholesale customers distribute and sell electric energy at retail.

² Midwest Independent System Operator, Inc., et al., 116 FERC ¶ 63,057 (2006).

5. This order terminates Docket Nos. ER05-6-080, EL04-135-083, EL02-111-100 and EL03-212-096. A new subdocket will be assigned upon the receipt of the required compliance filing.

By the Commission. Commissioner Moeller not participating.

(SEAL)

Magalie R. Salas, Secretary.